

“It is important though to recognize if we keep on adding to the debt, even in the midst of this recovery, that at some point, people could lose confidence in the U.S. economy in a way that could actually lead to a double-dip recession.”

— [President Barack Obama, November 18, 2009](#)

Recently, the White House [indicated](#) that it has plans to raise the national debt limit as part of a larger upcoming piece of legislation. What this means is that the United States Government has run out of its statutory borrowing authority...just like the credit card you have in your wallet or purse...there is a limit on what one can spend.

This is the second time in 2009 that the debt limit has been increased.

Here is a brief situation report of our economy right now:

- The national debt has increased to \$12.039 trillion or 85 % of Gross Domestic Product (GDP).
- The debt limit was raised from \$11.315 trillion to \$12.104 when Speaker Pelosi and President Obama passed their ‘non-stimulating’ stimulus bill, nine months ago.
- The government is now roughly \$70 billion away from reaching the current limit.
- The White House is now seeking a debt limit increase of at least \$1 trillion to \$1.5 trillion—increasing the limit to anywhere from \$13.1 trillion to \$13.6 trillion.

I will have more on this and a historical glimpse in the past tomorrow.